Remarks

Entry of this amendment, reconsideration of the application, and allowance of all claims are respectfully requested. Claims 1-24 remain pending.

Initially, Applicants submit that the information provided in their Background Art portion of the specification is representative of the state of the art, and to the extent relevant to Applicants' claimed invention, is merely cumulative of the art of record in this application.

By this paper, dependent claims 10, 14, 20 and 22-24 are amended to address the claims objection noted in the Office Action. Based upon these amendments, withdrawal of all claim objections is requested.

Independent claim 1 is amended herein to clarify that the contactless label chipcard includes information on the payment status of the product to which the chipcard is attached, and that the device for reading and initiating update of the payment status includes a component for initiating update of the payment status in the contactless label chipcard. Support for the amended language can be found throughout the application as filed, for example, reference FIGS. 4 & 5 and the supporting discussion thereof. No new matter is added to the application by any amendment presented.

Claims 1-24 were initially rejected under 35 U.S.C. §102(b) as being anticipated by Boers et al. (U.S. Patent No. 5,637,846; hereinafter Boers). This rejection is respectfully traversed, and reconsideration thereof is requested.

In one aspect, Applicants' invention is directed to a system which includes a contactless label chipcard attached to a product. The contactless label chipcard contains at least information identifying the product and payment status thereof, as well as a component for execution of an update of the payment status of the product. The system further includes a device for reading and initiating update of the payment status. This device includes a contactless reader for reading information stored in the contactless label chipcard, a component for generating an invoice based on the information received from the contactless label chipcard, a component for checking payment of the invoice, and a component for initiating an update of the payment status in the contactless label chipcard.

In Applicants' claimed invention, the <u>chipcard attached to the product contains payment status information</u> (e.g., PAID or UNPAID) which can be checked when the product is being removed from a store. No similar concept is taught or suggested in the art of record.

With respect to the anticipation rejection, it is well settled that there is no anticipation of a claim unless a single prior art reference discloses: (1) all the same elements of the claimed invention; (2) found in the same situation as the claimed invention; (3) united in the same way as the claimed invention; and (4) in order to perform the identical function of the claimed invention. In this instance, Boers fails to disclose various aspects of Applicants' invention, and as a result, does not anticipate (or even render obvious) Applicants' invention.

Boers discloses a method and apparatus for electronic payment by a client in a self-service store. The client himself registers articles selected by him with a hand-held scanner. The store includes a read out station for reading out the articles registered with the hand-held scanner. (See abstract).

Applicants respectfully submit that Boers does not teach or suggest their recited system wherein a contactless label chipcard is attached to a product and contains information identifying the product and payment status thereof, let alone a component to facilitate execution of an update of the payment status of the product, or a device for reading and initiating update of the payment status on the contactless label chipcard attached to the product.

At page 3 of the Office Action, Col. 4, lines 1-14 of Boers are cited for allegedly teaching Applicants' recited contactless label chipcard attached to a product which contains information identifying the product and payment status thereof. This characterization of the teachings of Boers is respectfully traversed.

Col. 4, lines 1-14 of Boers state:

... scanners, arranged near the entrance 4 of the store. The scanners are of a generally known type and each comprise, for instance, a scanning head which can be manually brought close to a code provided on the articles, for the code to be read and subsequently stored in a memory of the scanner. For the purpose of coding articles, typically use is made of a barcode provided on the articles. For that purpose the scanner may be provided with an optical scanning head to enable the codes to be read. This, however, is by no means essential to the invention because in principle other types of systems for coding the articles can be used as well, e.g., magnetic codes, binary codes stored in chip and other current systems.

The scanner referred to in these lines is a portable scanner, i.e., a hand-held scanner, which is used to read the identification codes provided on the articles. The scanner discussed in Boers is not attached to the product itself, but rather is used, for example, as a portable optical scanning device. Magnetic coding and binary coding are also referenced in these lines. Applicants respectfully submit that a careful reading of Boers fails to uncover any discussion of a contactless label chipcard that is attached to a product and contains at least information identifying the product and payment status thereof. Further, Applicants respectfully submit that a careful reading of these lines, as well as the balance of Boers, fails to uncover any teaching or suggestion of a component within a contactless label chipcard which facilitates updating of the payment status therein of the product. This aspect of Applicants' recited invention is simply missing from the applied art.

Applicants further recite a device for reading and initiating update of the payment status which includes, in part, a component for checking payment of the invoice, and a component for initiating updating of the payment status in the contactless label chipcard. In Applicants' invention, the payment status is held in the contactless label chipcard attached to the product, and is updated by the device when, for example, a client purchases the product from a store.

For the above reasons, Applicants respectfully submit that independent claim 1 patentably distinguishes over the teachings of Boers. Reconsideration and withdrawal of the anticipation rejection based thereon is respectfully requested.

The dependent claims are believed allowable for the same reasons as independent claim 1, as well as for their own additional characterizations. For example, claim 2 further specifies that the label chipcard contains payment status PAID or NOT PAID. Lines 1-30 of Col. 4 of Boers (cited in the Office Action) do not disclose or suggest the attachment of a <u>label chipcard</u> to a product which contains such detailed information. Again, the scanner discussed at these lines comprises a portable scanner which is used to read the identifying information on the various products themselves and then is used at a read-out station to download that collected information for further processing. Boers does not describe or suggest any system wherein a contactless label chipcard is attached to a product, and contains specific payment status information. In this regard, Col. 5, lines 1-65 of Boers are also cited at page 4 of the Office Action. These lines discuss use of a payment card, such a s a bank card, a giro card, or a credit card. Applicants respectfully submit that there is no discussion or suggestion in the cited lines for a contactless label chipcard attached to a product having the information and functionality recited in their presented claims.

For at least the above reasons, Applicants respectfully submit that all claims are in condition for allowance and such action is respectfully requested.

If a telephone conference would be of assistance in advancing prosecution of the subject application, Applicants' undersigned attorney invites the Examiner to telephone him at the number provided.

Respectfully submitted,

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